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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/046,004	10/27/2001	John Ridings Lee	501693.000002	1517

26133 7590 02/27/2006
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EXAMINER

RINES, ROBERT D

ART UNIT PAPER NUMBER

3626

DATE MAILED: 02/27/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary**Application No.**

10/046,004

Applicant(s)

LEE, JOHN RIDINGS

Examiner

Robert D. Rines

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 27 October 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-51 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-51 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Notice to Applicant

[1] This communication is in response to the patent application filed 27 October 2001. It is noted that this application benefits from Provisional Patent Application Serial No. 60/322,155 filed 14 September 2001. Claims 1-51 are pending.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

[2] Claims 7, 26, and 41 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

[A] Regarding claims 7, 26, and 41, the phrase "approximately" renders the claim indefinite because it is unclear whether the limitations following the phrase are part of the claimed invention. See MPEP § 2173.05(d).

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

[3] Claims 1-5, 8-24, 27-29, 31-39, 42, and 44-49 are rejected under 35 U.S.C. 102(e) as being anticipated by Herman et al., (United States Patent Application Publication #2002/0035489).

[A] As per claim 1, Herman et al. teaches a method of raising funds for an organization comprising the steps of: obtaining a list of donors (Herman et al.; paragraph [0007] [0024]), wherein the donors have been selected to form a participant pool which conforms to a morality matrix (Herman et al.; paragraphs [0005] [0009] [0024] [0025]); purchasing a life insurance policy on the life of each donor in the participant pool (Herman et al.; Abstract and paragraphs [0007] [0022] [0026]); and receiving a death benefit payment from one of the life insurance policies upon the death of one of the donors in the participant pool (Herman et al.; paragraph

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[0036]).

[B] As per claim 2, Herman et al. teaches a method further comprising the step of soliciting potential donors for participation in the life insurance program (Herman et al.; paragraphs [0007] [0022] [0024]).

[C] As per claim 3, Herman et al. teaches a method further comprising the step of paying a premium payment for one of the life insurance policies with proceeds from the death benefit payment (Herman et al.; paragraphs [0022] [0036]).

[D] As per claim 4, Herman et al. teaches a method wherein the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]).

[E] As per claim 5, Herman et al. teaches a method wherein: the mortality matrix is used to construct the participant pool according to the age and gender of each of the donors (Herman et al.; paragraph [0025]); and the number of donors in the participant pool at any particular age and gender are defined by the mortality matrix (Herman et al.; paragraphs [0005] [0024] [0025] [0034]).

[F] As per claim 8, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender; and

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the pool members range in age from 25 to 75 years (Herman et al.; paragraphs [0024] [0025]).

[G] As per claim 9, Herman et al. teaches a method wherein the mortality matrix is constructed without considering the medical condition of any of the donors (Herman et al.; paragraphs [0024] [0025]).

NOTE: Although Herman et al. cites the general health of the individuals in the participant pool as a factor that could be considered, Herman does not require health of medical history as a consideration in the mortality matrix (Herman et al.; paragraph [0025]).

[H] As per claim 10, Herman et al. teaches a method wherein the mortality matrix is constructed by the organization (Herman et al.; paragraph [0024]).

[I] As per claim 11, Herman et al. teaches a method wherein the participant pool includes at least one thousand donors (Herman et al.; paragraphs [0024] [0025]).

[J] As per claim 12, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the step of paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraph [0031]).

[K] As per claim 13, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the steps of: paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); and paying a recurring premium payment for one of the life insurance policies in a year other than the selected number of years with proceeds from the death benefit payment (Herman et al.; paragraphs [0022] [0036] [0039] [0040] [0041]).

[L] As per claim 14, Herman et al. teaches a method wherein the recurring premium payment does not exceed the death benefit payment (Herman et al.; paragraphs [0031] [0036] and Appendix B).

[M] As per claim 15, Herman et al. teaches a method wherein, if the recurring premium payment for a recurrence period does exceed the death benefit payment, the recurring premium payment is partially or fully paid with proceeds from a cash surrender value of at least one of the life insurance policies (Herman et al.; paragraph [0022] and Appendix B).

[N] As per claim 16, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the steps of: paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); and obtaining the advance

premium payment from a donation to the organization (Herman et al.; paragraphs [0003] [0022]).

NOTE: Although the teachings of Herman et al. are primarily directed to applying death benefits to payments on a note obtained from a Lender to purchase the life insurance policies, Herman et al. teaches that if the foundation has sufficient resources, the foundation may provide some of all of the funds required to purchase the block of life insurance policies (Herman et al.; paragraph [0022]). Herman et al., further teaches that non-profit organizations typically raise funds the "solicitation of a membership base for direct monetary contributions" (Herman et al.; paragraph [0003]). The examiner interprets the above noted features of Herman et al., to be encompassing of the applicant's limitations of receiving a monetary donation to pay premiums.

[O] As per claim 17, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the steps of: paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); and borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]).

[P] As per claim 18, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the steps of: paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); borrowing the advance

premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying a portion of the principal of the loan with proceeds from the death benefit payment (Herman et al.; paragraphs [0029] [0036]).

[Q] As per claim 19, Herman et al. teaches a method wherein the step of purchasing a life insurance policy further comprises the steps of: paying an advance premium payment that includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying interest on the loan with proceeds from a donation to the organization (Herman et al.; paragraphs [0003] [0022] [0029] [0036] *see analysis claim 16).

[R] As per claim 20, Herman et al. teaches a method wherein the life insurance policies are universal life policies (Herman et al.; paragraph [0031]).

[S] As per claim 21, Herman et al. teaches a method wherein the life insurance policies are term life policies (Herman et al.; paragraphs [0026] [0031]).

[T] As per claim 22, Herman et al. teaches a method of raising funds for an organization comprising the steps of: obtaining a list of donors (Herman et al.; paragraphs [0007] [0024]), wherein the donors have been selected to form a participant pool based on the donors' age and gender (Herman et al.; paragraphs [0024] [0025]), wherein the number of donors in the

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participant pool at any particular age and gender are defined by a mortality matrix (Herman et al.; paragraphs [0005] [0009] [0024] [0025]); purchasing a life insurance policy on the life of each donor in the participant pool by paying an advance premium payment (Herman et al.; Abstract and paragraphs [0022] [0031]), wherein the advance premium payment includes all premiums for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]); and receiving a death benefit payment from one of the life insurance policies upon the death of one of the donors in the participant pool (Herman et al.; paragraph [0036]).

[U] As per claim 23, Herman et al. teaches a method further comprising the step of soliciting potential donors for participation in the life insurance program (Herman et al.; paragraphs [0007] [0022] [0024]).

[V] As per claim 24, Herman et al. teaches a method wherein the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]).

[W] As per claim 27, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender; and the pool members range in age from 25 to 75 years (Herman et al.; paragraphs [0024] [0025]).

[X] As per claim 28, Herman et al. teaches a method wherein the mortality matrix is

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constructed without considering the medical condition of any of the donors (Herman et al.; paragraphs [0024] [0025]).

NOTE: Although Herman et al. cites the general health of the individuals in the participant pool as a factor that could be considered, Herman does not require health or medical history as a consideration in the mortality matrix (Herman et al.; paragraph [0025]).

[Y] As per claim 29, Herman et al. teaches a method wherein the mortality matrix is constructed by the organization (Herman et al.; paragraph [0024]).

[Z] As per claim 31, Herman et al. teaches a method further comprising the step of paying a recurring premium payment for at least one of the life insurance policies in a year other than the selected number of years (Herman et al.; paragraphs [0036] [0039] [0040] [0041]).

[AA] As per claim 32, Herman et al. teaches a method further comprising the steps of: paying a recurring premium payment for at least one of the life insurance policies in a year other than the selected number of years (Herman et al.; paragraphs [0036] [0039] [0040] [0041]); and wherein the recurring premium payment is paid with proceeds from the death benefit payment (Herman et al.; paragraph [0036]).

[BB] As per claim 33, Herman et al. teaches a method further comprising the steps of: paying a recurring premium payment for at least one of the life insurance policies in a year other than the

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selected number of years (Herman et al.; paragraphs [0036] [0039] [0040] [0041]); wherein each life insurance policy is configured such that the life insurance policy includes a cash surrender value (Herman et al.; paragraphs [0034] [0040] and Appendix B); and wherein each life insurance policy is configured to allow withdrawal from the cash surrender value to fund payment of the recurring premium payment for a time period during which the death benefit payment does not exceed the recurring premium payment (Herman et al.; paragraphs [0022] [0034] [0035]).

[CC] As per claim 34, Herman et al. teaches a method further comprising the step of receiving a monetary donation to pay for the advance premium payment (Herman et al.; paragraphs [0003] [0022]).

[DD] As per claim 35, Herman et al. teaches a method further comprising the step of borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]).

[EE] As per claim 36, Herman et al. teaches a method further comprising the steps of: borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying a portion of principal on the loan with proceeds from the death benefit payment (Herman et al.; paragraphs [0029] [0036]).

[FF] As per claim 37, Herman et al. teaches a method further comprising the steps of:

borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying interest on the loan with a monetary donation to the organization (Herman et al.; paragraphs [0003] [0022] [0029] [0036] *see analysis claim 16).

[GG] As per claim 38, Herman et al. teaches a method of raising funds for an organization comprising the steps of: soliciting potential donors for participation in a life insurance program (Herman et al.; paragraphs [0007] [0022] [0024]); obtaining a list of donors (Herman et al.; paragraphs [0007] [0024]), wherein the donors have been selected to form a participant pool based on the donors' age and gender (Herman et al.; paragraphs [0024] [0025]), wherein the number of donors in the participant pool at any particular age and gender are defined by a mortality matrix (Herman et al.; paragraphs [0024] [0025]); purchasing a life insurance policy on the life of each donor in the participant pool by paying an advance premium payment (Herman et al.; paragraph [0031]), wherein the advance premium payment includes all premium payments for the life insurance policies in the participant pool for a selected number of years (Herman et al.; paragraphs [0031] [0041]), wherein each life insurance policy is configured to build a cash surrender value (Herman et al.; paragraphs [0009] [0034]); receiving a death benefit payment from one of the life insurance policies upon the death of one of the donors in the participant pool (Herman et al.; paragraph [0036]); and paying a recurring premium payment for at least one of the life insurance policies in a year other than the selected number of years (Herman et al.; paragraphs [0036] [0039] [0040] [0041]).

[HH] As per claim 39, Herman et al. teaches a method wherein the mortality matrix is

constructed without considering the medical condition of any of the donors (Herman et al.; paragraphs [0024] [0025]).

NOTE: Although Herman et al. cites the general health of the individuals in the participant pool as a factor that could be considered, Herman does not require health or medical history as a consideration in the mortality matrix (Herman et al.; paragraph [0025]).

[II] As per claim 42, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender; and the pool members range in age from 25 to 75 years (Herman et al.; paragraphs [0024] [0025]).

[JJ] As per claim 44, Herman et al. teaches a method wherein the recurring premium payment is paid with proceeds from the death benefit payment (Herman et al.; paragraph [0022] [0036]).

[KK] As per claim 45, Herman et al. teaches a method wherein the cash surrender value of each life insurance policy is configured to allow withdrawal from the cash surrender value to fund payment of the recurring premium payment for a time period during which the death benefit payment does not exceed the recurring premium payment (Herman et al.; paragraphs [0009] [0022] [0031] [0036] and Appendix B).

[LL] As per claim 46, Herman et al. teaches a method further comprising the step of receiving

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a monetary donation to pay for the advance premium payment (Herman et al.; paragraphs [0003] [0022] *see analysis claim 16).

[MM] As per claim 47, Herman et al. teaches a method further comprising the step of borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]).

[NN] As per claim 48, Herman et al. teaches a method further comprising the steps of: borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying a portion of principal on the loan with proceeds from the death benefit payment (Herman et al.; paragraphs [0029] [0036]).

[OO] As per claim 49, Herman et al. teaches a method further comprising the steps of: borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); and repaying the interest on the loan from a monetary donation to the organization (Herman et al.; paragraphs [0003] [0022] [0029] [0036] *see analysis claim 16).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

[4] Claims 6-7, 25-26, 30, 40-41, 43, 50, and 51 are rejected under 35 U.S.C. 103(a) as being unpatentable over Herman et al. in view of Bell (United States Patent #6,161,096).

[A] As per claim 6, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool including pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]), the ideal participant pool includes an upper age limit and a lower age limit for pool members (Herman et al.; paragraphs [0024] [0025]).

[i] Herman et al. teaches that selection of participants encompassing a "large age range (i.e., 25-70 years of age)" with the objective of ensuring a predictable stream of death benefits from the insurance policies (Herman et al.; paragraph [0025]). Herman et al. further teaches ensuring a relatively predictable stream of death benefits by additionally stipulating that "a relatively even distribution over a large age range is preferred" (Herman et al.; paragraph [0025]). In the "preferred" group of participants selected by Herman for the purpose of ensuring a steady stream of death benefits, it stands to reason that the number of participants at either the upper age limit (70 years of age) or the lower age limit (25 years of age) would be outnumbered by a selection of participants comprising those at the average range plus participants encompassed by a selected deviation from the average age. Accordingly, the participant population selected by Herman et al., inherently meets the applicants limitations of: 1) the percentage of pool members at the upper age limit is less than the selected percentage of the pool members within the selected deviation of the average age; and 2) the percentage of pool members at the lower age limit is less than the selected percentage of the pool members within the selected deviation of the average age.

[ii] While Herman et al. teaches selection of participants with the objective of establishing a participant pool best suited to deriving a predictable stream of death benefits (Herman et al.;

paragraph [0025]), Herman fails to specifically teach selection of participants based on average age of the participant pool or based on a certain number or percentage of participants encompassed by a selected deviation from the average age of the participant pool.

[iii] However, Bell teaches method and system for selection of participants in a deferred award instrument plan involving employee life insurance policies that are either company owned or purchased under a shared ownership arrangement between the company and the employees (Bell; Abstract and col. 6, lines 39-53). The Bell invention further teaches a computerized method of selection of individuals for participation in the program (Bell; col. 3, lines 25-40 and col. 5, lines 19-28). The Bell method analyzes human resources data on employees, including age of the employees, to determine the optimal pool of employees to participate in the plan as determined by the specific funding objectives and timelines the company requires (Bell; col. 8, lines 56-67 and col. 9, lines 12-27). By way of specific example, Bell outlines an investment strategy that is best met by insurance policies taken out on employees likely to die within a 10-year time frame and accordingly, the matrix system of Bell identifies candidates of age 65 or older (Bell; col. 9, lines 20-41). Although Bell does not specifically teach using an average age of employees and/or a deviation from an average age of candidate participants to determine participant pool qualifications, the examiner interprets the customizable approach of Bell to enable a user, such as Herman et al., to model and select a population having virtually any characteristics (e.g., age range, average age, age distribution etc.) that would best suit the investment/cash flow goals defined or prioritized by the implementing company or organization.

[iv] Therefore, the examiner views the above noted features and attributes of Bell as encompassing the applicant's limitations of the ideal participant pool being constructed by selecting an average age for the pool members and selecting pool members such that a selected percentage of the total number of pool members are of an age within a selected deviation of the average age (Bell; col. 8, lines 56-67 and col. 9, lines 12-42).

[v] It would have been obvious to one of ordinary skill in the art at the time the invention was made to have combined the teachings of Herman et al. with those of Bell. Such combination would have resulted in a system and method for foundation funds generation in which a block of individuals assents to have a life insurance policy taken out in his or her name for the benefit of the foundation (Herman et al.; paragraph [0024]). Additionally, such a system and method would have employed a strategy of selecting the block of individuals that, based on anticipated mortality rates, would ensure a relatively predictable stream of death benefits (Herman et al.; paragraphs [0024] [0025]). Further, such a selection process would involve the use of a modeling program that analyzes population characteristics with the aim of determining an appropriate distribution of participants to meet the specific program goals defined by the foundation (Bell; col. 9, lines 4-41). The motivation to combine the teachings would have been to provide a computer system and computer program for assisting the company's identification of appropriate employees to assemble a group of individuals (i.e., a predetermined pool) that fit predetermined company investment or fund raising/cash flow goals (Bell; col. 1, lines 65-67 and col. 2, lines 19-22).

[B] As per claim 7, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]); and Bell teaches approximately twenty percent of the pool members are between the ages of 37 and 43 years (Bell; col. 8, lines 56-67 and col. 9, lines 12-42).

[C] As per claim 25, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool including pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]), the ideal participant pool includes an upper age limit and a lower age limit for pool members (Herman et al.; paragraphs [0024] [0025]); the percentage of pool members at the upper age limit is less than the selected percentage of the pool members within the selected deviation of the average age; and the percentage of pool members at the lower age limit is less than the selected percentage of the pool members within the selected deviation of the average age (Herman et al.; paragraph [0025] *see analysis claim 6).

[i] Bell teaches the ideal participant pool being constructed by selecting an average age for the pool members and selecting pool members such that a selected percentage of the total number of pool members are of an age within a selected deviation of the average age (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

[D] As per claim 26, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender

(Herman et al.; paragraphs [0024] [0025]); and Bell teaches approximately twenty percent of the pool members are between the ages of 37 and 43 years (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

[E] As per claim 30, Bell teaches a method wherein the selected number of years is six years (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

NOTE: In addition to enabling a user to custom select participants, the Bell invention provides for determination of timelines based on the company's objectives (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6). The examiner interprets the cited/applied passages of Bell to enable a user to select any number of years for maintaining insurance policies.

[F] As per claim 40, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool including pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]), the ideal participant pool includes an upper age limit and a lower age limit for pool members (Herman et al.; paragraphs [0024] [0025]); the percentage of pool members at the upper age limit is less than the selected percentage of the pool members within the selected deviation of the average age; and the percentage of pool members at the lower age limit is less than the selected percentage of the pool members within the selected deviation of the average age (Herman et al.; paragraph [0025] *see analysis claim 6).

[i] Bell teaches the ideal participant pool being constructed by selecting an average age for the pool members and selecting pool members such that a selected percentage of the total number of pool members are of an age within a selected deviation of the average age (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6)

[G] As per claim 41, Herman et al. teaches a method wherein: the mortality matrix describes an ideal participant pool that is constructed with pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]); and Bell teaches approximately twenty percent of the pool members are between the ages of 37 and 43 years (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

[H] As per claim 43 Bell teaches a method wherein the selected number of years is six years (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

NOTE: In addition to enabling a user to custom select participants, the Bell invention provides for determination of timelines based on the company's objectives (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6). The examiner interprets the cited/applied passages of Bell to enable a user to select any number of years for maintaining insurance policies.

[I] As per claim 50, Herman et al. teaches a method further comprising the steps of: borrowing the advance premium payment via a loan to the organization (Herman et al.; paragraphs [0022] [0027]); wherein the cash surrender value of each life insurance policy is

configured to allow withdrawal from the cash surrender value to fund payment of the recurring premium payment for a time period during which the death benefit payment does not exceed the recurring premium payment (Herman et al.; paragraphs [0034] [0035] [0040] and Appendix B); wherein the mortality matrix describes an ideal participant pool including pool members of selected age and gender(Herman et al.; paragraphs [0024] [0025]); wherein the ideal participant pool includes an upper age limit and a lower age limit for pool members (Herman et al.; paragraphs [0024] [0025]); wherein the percentage of pool members at the upper age limit is less than the selected percentage of the pool members within the selected deviation of the average age; and wherein the percentage of pool members at the lower age limit is less than the selected percentage of the pool members within the selected deviation of the average age years (Herman et al.; paragraph [0025] *see analysis claim 6).

[i] Bell teaches the ideal participant pool being constructed by selecting an average age for the pool members and selecting pool members such that a selected percentage of the total number of pool members are of an age within a selected deviation of the average age (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

[J] As per claim 51, Herman et al. teaches a method further comprising the steps of: receiving a monetary donation to pay for the advance premium payment (Herman et al.; paragraphs [0003] [0022]); wherein the cash surrender value of each life insurance policy is configured to allow withdrawal from the cash surrender value to fund payment of the recurring premium payment for a time period during which the death benefit payment does not exceed the

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recurring premium payment (Herman et al.; paragraphs [0034] [0035] [0040] and Appendix B); wherein the mortality matrix describes an ideal participant pool including pool members of selected age and gender (Herman et al.; paragraphs [0024] [0025]), wherein the ideal participant pool includes an upper age limit and a lower age limit for pool members (Herman et al.; paragraphs [0024] [0025]); wherein the percentage of pool members at the upper age limit is less than the selected percentage of the pool members within the selected deviation of the average age; and wherein the percentage of pool members at the lower age limit is less than the selected percentage of the pool members within the selected deviation of the average age (Herman et al.; paragraph [0025] *see analysis claim 6).

[i] Bell teaches the ideal participant pool being constructed by selecting an average age for the pool members and selecting pool members such that a selected percentage of the total number of pool members are of an age within a selected deviation of the average age (Bell; col. 8, lines 56-67 and col. 9, lines 12-42 *see analysis claim 6).

[ii] Regarding claims 7, 25-26, 30, 40-41, 43, 50, and 51 the obviousness and motivation to combine as discussed with regard to claim 6 above are applicable to claims 7, 25-26, 30, 40-41, 43, 50, and 51 and are herein incorporated by reference.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Gross et al., METHOD AND APPARATUS FOR RELEASING VALUE OF AN ASSET,
United States Patent #5,083,270

Kelly et al., SYSTEM FOR DESIGNING AND IMPLEMENTING BANK OWNED LIFE
INSURANCE (BOLI) WITH A REINSURANCE OPTION, United States Patent #5,806,042

Ross, SYSTEM AND METHOD FOR ASSURING PREDICTABLE GAINS, United States
Patent #5,974,390

Meyer et al., SYSTEM AND METHOD FOR CONTROLLING AND SECURITIZING THE
CASH VALUE GROWTH AND/OR DEATH BENEFITS OF A LARGE POOL OF
INSURNANCE POLICIES, United States Patent #6,330,541

Canney, METHOD OF CHARITABLE GIVING/INVESTING, United States Patent #6,581,041.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert D. Rines whose telephone number is 571-272-5585. The examiner can normally be reached on 8:30am - 5:00pm Mon-Fri.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on 571-272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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R.D.R.

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